

# WARREN COUNTY BOARD OF SUPERVISORS

## COMMITTEE: OCCUPANCY TAX COORDINATION

DATE: DECEMBER 2, 2009

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COMMITTEE MEMBERS PRESENT:

SUPERVISORS KENNY  
TESSIER  
MERLINO  
BENTLEY  
CHAMPAGNE  
SIMMES  
GOODSPEED

OTHERS PRESENT:

FRANK O'KEEFE, COUNTY TREASURER  
REPRESENTING THE WARREN COUNTY TOURISM DEPARTMENT:  
KATE JOHNSON, DIRECTOR  
LEISA GRANT, PRINCIPAL ACCOUNT CLERK  
TANYA BRAND, GROUP TOUR PROMOTER  
ROBERT BLAIS, MAYOR, VILLAGE OF LAKE GEORGE  
MICHAEL CONSUELO, SPECIAL EVENTS COORDINATOR  
FREDERICK MONROE, CHAIRMAN OF THE BOARD  
JOAN SADY, CLERK OF THE BOARD  
KEVIN GERAGHTY, BUDGET OFFICER  
SUPERVISORS BELDEN  
GIRARD  
PITKIN  
STRAINER  
TAYLOR  
VANNESS  
JANICE FOX, LAKE GEORGE REGIONAL CHAMBER OF COMMERCE  
LUISA CRAIGE-SHERMAN, LAKE GEORGE REGIONAL CHAMBER OF COMMERCE  
JASON SHERRY, ADIRONDACK PROMOTIONS, LLC  
ALICE GREETHER, DIRECTOR OF TOURISM, CITY OF GLENS FALLS  
FRANK MCCOY, LAKE GEORGE RESIDENT  
FRED AUSTIN, FORT WILLIAM HENRY  
DON LEHMAN, *THE POST STAR*  
THOM RANDALL, *THE ADIRONDACK JOURNAL*  
AMANDA ALLEN, SR. LEGISLATIVE OFFICE SPECIALIST

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Mr. Kenny called the meeting of the Occupancy Tax Coordination Committee to order at 10:34 a.m.

Motion was made by Mr. Tessier, seconded by Mr. Bentley and carried unanimously to approve the minutes from the prior Committee meeting, subject to correction by the Clerk of the Board.

Copies of the meeting agenda were distributed to the Committee members and a copy is also on file with the minutes.

Mr. Kenny commenced the agenda review with Item 2, which referred to a report on revenues from the County Treasurer. Frank O'Keefe, County Treasurer, presented documentation stating that the revenue collected through November 30, 2009 totaled \$2,536,178.40, which was a 10.8% decrease from the amount received at the same time in 2008. *A copy of the documentation provided by Mr. O'Keefe is included on the second page of the meeting agenda.*

As the Committee had no questions for Mr. O'Keefe, Mr. Kenny announced that they would skip to Agenda Item 4, Discussion on the Village of Lake George's request for continuance of contract at the Visitor's Center, and he noted that Robert Blais, Mayor of the Village of Lake George, was in attendance to address this topic.

Mayor Blais reminded the Committee that the County had partnered with the Village of Lake George in the operation of the Visitor's Center since its opening approximately three years ago. He said that a room had been created within the Center to promote each Town in Warren County and included a large advertising space for the Warren County Tourism Department. Mayor Blais said that the Visitor's Center had been very successful and over the past year had attracted more than 112,000 visitors seeking assistance and over 350,000 visitors traveling through the Center to reach the adjoining restrooms; he added that over 125,000 brochures had been distributed from the Visitor's Center. He apprised that the County had contributed \$25,000 annually over the past three years towards the operation of the Visitor's Center, portion of which was used to make payment on the bond that was encumbered to construct the Center and the rest to defray maintenance and operational expenses such as utility costs. Mayor Blais concluded that the County offered funding on a year-to-year basis, rather than offering a multi-year contract, and it was his hope that they would renew the annual contract for 2010.

When questioned on the matter, Mayor Blais apprised that a 10-year bond had been secured to construct the Visitor's Center. He noted that the Center was staffed by members of the Lake George Regional Chamber of Commerce (LGRCC), who were very knowledgeable of the entire region. Mayor Blais added that markers were placed on the Adirondack Northway during the prior year designating the site as an official Visitor's Center for New York State and in 2010 they intended to construct a three-sided kiosk on the exterior of the building with the assistance of the Lakes to Locks program, which would allow two sides to show the history of the area, and a third side which would include a bulletin board type space allowing for any community within Warren County to advertise special events.

The issue before the Committee, Mr. Kenny stated, was whether or not to continue funding for the Visitor's Center and at what level. He noted that the funding had not been included in the 2010 Budget and any funds attributed would come from the Tourism Promotion portion of the budget. When questioned on the matter, Mr. Kenny advised that Special Event funding could not be used to support the Center as per the direction of the County Attorney's Office. Mr. Merlino said that although he supported the operation of the Visitor's Center, it was a very difficult budget year for the County and he suggested that the County provide half of the funding given in prior years.

Mr. Goodspeed asked what portions of the budget could be adjusted to allow for this unbudgeted expenditure, and Kate Johnson, Tourism Director, replied that she was unsure where the funds would come from and could not provide an answer without further research. She noted that the \$25,000 previously budgeted for the Visitor's Center had been transferred within the budget to cover the costs of the renewal of the Special Events Coordinator contract for 2010. Mr. Kenny interjected that there were only two areas that could be reduced and those were staffing or media promotion. Mr. Bentley questioned how the contract was funded in 2009 and Ms. Johnson replied that this had previously been a budgeted item; however, she said, it had not been included in the 2010 Budget as the request for funding was received well after the budget process. Mayor Blais stated that he understood the financial situation the County faced and assured the Committee that regardless of the amount of funding received, the Visitor's Center would continue to promote all areas of Warren County as it always had.

Subsequent to further discussion, motion was made by Mr. Merlino, seconded by Mr. Tessier and carried unanimously to provide \$12,500 in funding to the Village of Lake George for support of the Visitor's Center for 2010 and the necessary resolution was authorized for the December 18<sup>th</sup> Board meeting. *A copy of the request is on file with the minutes.*

Continuing, Mr. Kenny addressed Agenda Item 5 which pertained to discussion on a proposal from McGillivray Consulting Group to develop a theater on the Gaslight Village property. He noted that Chairman Monroe had been

in direct contract with the group and he asked him to provide more information on the matter for the Committee's benefit.

Chairman Monroe stated that he and Mr. Tessier had received a considerable amount of correspondence regarding the possibility of using the Cavalcade of Cars building located on the Gaslight Village property for theatrical performances, possibly as early as the summer of 2010. He said that the effort was being spearheaded by a woman by the name of Diane Yates, who had performed at the Gaslight Village Amusement Park when it was in operation, and had gathered a group of professional actors willing to participate in future performances at the site. Ms. Yates had proposed that four shows be performed during the summer months, Chairman Monroe advised, provided that some minimal redevelopments to the building could be made to make it suitable for use as a theater. He said that these redevelopments would likely include lighting and sound renovations, some of which could be facilitated through rental equipment, as well as redesigned seating arrangements which would be made on a temporary basis so as not to affect any future use for the building. Chairman Monroe apprised that Ms. Yates had attracted the support of two well known professional actors in her endeavor, one of whom was willing to put on a benefit to gain funding for the project.

Before any further developments could be made, Chairman Mornoe advised that Ms. Yates and her associates were seeking confirmation that the Cavalcade of Cars building could actually be converted to suit their needs in time for performances in the upcoming summer season; therefore, he said professional services would be required to make this determination. He apprised that the agenda included a letter from Michael A. Pharr, Vice President of Operations for McGillivray Consulting Group, who was willing to send a representative of his company to review the site for a cost of \$3,000. Chairman Monroe stated that he felt the theatrical events proposed by Ms. Yates would serve as a catalyst to improve the usability of the building and attract further development for that area of the Gaslight Village property. He noted that there was the possibility of gaining monetary and manpower donations to renovate the Cavalcade of Cars building, but the first step would be to get an evaluation of the site to determine the feasibility of Ms. Yates' proposal. Chairman Monroe noted that McGillivray Consulting Group had been involved in a number of major projects in the entertainment and hospitality industry, as well as for a number of theme parks.

Mr. Kenny noted that the funding for the proposed contract was not included in the Tourism Departmental budget and if the Committee was in favor, the issue should be discussed further at the Tourism Committee meeting, which was scheduled to follow the present meeting, to determine a source of funding.

Mr. Geraghty questioned whether a local company, such as Adirondack Scenery could do the same work being proposed by McGillivray Consulting Group and Ms. Johnson replied in the negative, noting that their business was of the fabrication nature. Ms. Johnson noted that there was \$3,000 remaining in the Special Event fund and she questioned whether those monies could be used to support a contract with McGillivray Consulting Group. Chairman Monroe replied that he had spoken with the County Attorney to determine if occupancy tax funding could legally be used to support the contract costs and it was determined that it could because the expense was directly related to tourism; however, he said, he had not asked if special event funding could be used.

Mr. Merlino stated his support for the contract with McGillivray Consulting Group and announced that he would be willing to donate an overnight stay at the establishment he owned and operated in the Town of Lake Luzerne for the representative being sent to the area. Mr. Kenny thanked Mr. Merlino for his generous offer and noted that securing a contract for review of the Cavalcade of Cars building was the first logical step in developing a venue that could eventually return a significant amount of money to the region.

Subsequent to further discussion on the matter which determined that the Committee was in favor of securing a contract with McGillivray Consulting Group, it was the consensus that the matter should be referred to the following Tourism Committee meeting for further discussion and to determine a source of funding.

Returning to Agenda Item 3, Mr. Kenny announced that Michael Consuelo, Special Events Coordinator, was in attendance to provide a report on activities. He noted that he would like to preface Mr. Consuelo's presentation by advising that letters had been received from every main hotel chain in Warren County supporting the renewal of the Special Events Coordinator contract for 2010.

Mr. Consuelo distributed copies of a Monthly Activity Report, a copy of which is on file with the minutes. He began by apologizing to the Committee for not being present at their November meeting, but noted that he had been in Alabama meeting with the United Methodist Association and was pleased to announce that it appeared they would be visiting the area in June of 2012, bringing 275 to 300 guests to the area which would yield a potential economic impact of \$64,800 to the region. Mr. Consuelo apprised that he had been following up on other opportunities also, and noted that the Copeland Retreat would be held in the area beginning on February 5, 2010 which would bring some business to the area during the winter season. As there were no questions for Mr. Consuelo regarding the Activity Report, he concluded his presentation by stating that he was delighted to be working with and representing Warren County and hoped to continue his association with them. He said that in an effort to make the Committee more comfortable in discussing the extension of the Special Events Coordinator contract, he would leave the meeting so that they could speak freely about his performance.

Mr. Consuelo left the meeting at 10:55 a.m.

Mr. Champagne said it was his understanding that at the end of Mr. Consuelo's contract term a performance report would be provided to determine whether it should be renewed and he asked Janice Fox, of the LGRCC, to provide this information.

Ms. Fox apprised that over the past six months, Mr. Consuelo had been working with a number of groups and attending LGRCC meetings to determine which parties required assistance, as well as visiting a number of sites within Warren County communities to determine the selling points of each area. She added that the LGRCC had developed a sales format for Mr. Consuelo using LGRCC grant funds which identified areas not previously targeted for tourism promotion. Ms. Fox stated that Mr. Consuelo provided monthly reports to reflect his activities and it was their feeling that in the short time he had been under contract he had returned the investment made in his contract back to the County in the form of a \$3.00 return on each \$1.00 contributed; she added that Mr. Consuelo had been very well received in all of the areas he visited.

Mr. Merlino stated his support for Mr. Consuelo and his efforts, adding that he felt the funds expended in connection with the Special Events Coordinator contract were well spent and that the contract should be continued for another year.

Motion was made by Mr. Merlino, seconded by Mr. Tessier and carried unanimously to extend the Special Events Coordinator contract with Mr. Consuelo for an additional year and the necessary resolution was authorized for the December 18<sup>th</sup> Board meeting. *A copy of the request is on file with the minutes.*

Relative to the Occupancy Tax Coordination Committee meeting scheduled for December 14<sup>th</sup>, Mr. Kenny apprised that the meeting had been scheduled to review applications for 2010 occupancy tax funding and he noted that as

per the Committee's direction during the review of the 2009 applications, copies were being distributed in advance so that the Committee members would have the opportunity to review the information prior to the meeting.

As there was no further business to come before the Committee, on motion made by Mr. Merlino and seconded by Mr. Tessier, Mr. Kenny adjourned the meeting at 11:05 a.m.

Respectfully submitted,  
Amanda Allen, Sr. Legislative Office Specialist